



Department of Financial Services

City of Frisco, Texas

Memorandum

To: Honorable Mayor Maso and City Council Members

Thru: George Purefoy, City Manager

From: Nell Lange, Assistant City Manager
Jennifer Hundt, Budget Manager

Date: September 10, 2009

Subject: Consider and Act Upon Adoption of an Ordinance Levying the Tax Rate for the City of Frisco, Texas for the Tax Year 2009

Action Requested: City Council adoption of the fiscal year 2009 tax rate of \$0.45 as recommended.

Background Information: The Texas Property Tax Code, Truth in Taxation laws, require the City to annually adopt an ordinance levying the tax rate for the ensuing fiscal year. The effective and rollback rates were calculated and published as required. The City's Fiscal Year 2010 Annual Budget is based on the published tax rate of \$0.45. The City's fiscal year 2010 tax rate of \$0.45 is split between the maintenance and operations (M&O) rate of \$0.246882 and the debt service (I&S) component of \$0.203118. The ratio of the M&O rate and I&S rate is 54.86%/45.14%.

Board/ Citizen Input: Two public hearings on the annual budget and two public hearings on the proposed tax rate were held.

Alternatives: The City Council could choose to set a different tax rate. The recommended tax rate can not be greater than the \$0.45 rate that has been advertised.

Financial Considerations: The fiscal year 2010 budget approved under separate ordinance prior to this item is based on the \$0.45 tax rate. Any change in the recommended rate could require an adjustment to the budget.

Legal Review: Legal counsel has reviewed the ordinance.

Supporting Documents: Ordinance.